

JUL 14 1950

Acting Executive

Management Officer

**Management Staff Study of Regional Divisions of Office of
Reports and Estimates**

1. A four-month Management Staff study of ONE Regional Divisions disclosed conclusive evidence of the need for definitive clarification of authorities and responsibilities delegated to CIA for the coordination and production of national intelligence. The policy actions required relate to the following major problems:

a. Definition of the Program of CIA and, More Specifically of its Major Production Components, ONE and OSI. This clarification of program should provide for:

(1) Agency-level determination of a comprehensive production plan for the production and coordination of national intelligence, with both long-range and short-term objectives and with specification of CIA responsibilities in relationship to those of the other intelligence agencies of the Federal Government.

(2) Clarification of responsibilities for basic research support within the intelligence community, such assignment being practically related to the needs of the users of this support and to the budgetary and staffing resources for this basic research activity within the designated supplying agencies.

b. Definition of Authorities and Responsibilities Assigned to CIA for the Coordination of National Intelligence. Is CIA to be a true coordinator, or is its product to remain the object of coordination exercised by the other intelligence agencies? CIA's responsibilities and its authority to coordinate (Does coordination include direction?) each phase of the intelligence process (i.e., the planning, the collection, the production, the reconciliation of substantive disagreements, and the issuance of national intelligence) should be specifically defined.

c. Development of Policies and Procedures to Insure Speedy, but Coordinated, Action on CIA Requirements for Information. This problem is described in detail in my memorandum to Chief, ODAPS, dated 25 May 1950. Management Staff recommendations are contained in my memorandum to you, dated 3 July 1950, entitled, "Proposed Plan for Realignment of Certain Agency Functions".

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d. Integration of CIA Activities. In the interests of economy and efficiency, duplication of activity within CIA must be kept to a minimum. The support functions of each of the CIA components to each other must be clearly stated. This is particularly needed since the activation of OPC. The operational program of OPC introduces need for support which does not specifically fall within the intelligence mission of the Agency.

e. Internal Realignment of ORE Functions, Organization, Staffing, and Procedures. Provision should be made for:

- (1) Direction of ORE effort toward primary responsibilities.
- (2) Facilitation of internal coordination of its intelligence activities.
- (3) Guidance to analysts on best methods and techniques to be employed in intelligence analysis.

2. The findings and recommendations resulting from this Management Staff study of ORE Regional Divisions are attached for your information and such action as may be required in the solution of the problems indicated and in the implementation of recommendations for improvement. The full report is contained in action memoranda to responsible officials, as follows:

a. Memorandum to AD/ORE, entitled, "Management Study of Regional Divisions of ORE".

b. TAB A - Memorandum to AD/ORE, entitled, "Factors to be Reconciled Between the MIS Program and the Basic Economic Research Activity of Eastern Europe Division, ORE".

c. TAB B - Memorandum to AD/ORE, entitled, "Reaction of D/NEA to MIS studies".

d. TAB C - Memorandum to Chief, COAPS, entitled, "Information Requirements".

e. TAB D - Memorandum to Executive, entitled, "Proposed Plan for Realignment of Certain Agency Functions".

f. TAB E - Memorandum to Chief, COAPS, et. al., entitled, "Suggestions for Improvement of Collection Facilities Resulting from Management Staff Studies of ORE and OSI".

g. TAB F - Memorandum to AD/CO, entitled, "Suggestions for Improvement of CO Service Resulting from Management Staff Studies of ORE and OSI".

h. TAB G - Memorandum to AD/OSO, entitled, "Suggestions for Improvement of the OSO Collection Service Resulting from Management Staff Studies of ORE and OSI".

i. TAB H - Memorandum to AD/OCD, entitled, "Suggestions for Improvement of OCD Service Resulting from Management Staff Studies of ORE and OSI".



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cc - AD/ORE
Chief, COAPS
Budget Officer

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Management Study of Regional Divisions of ONE

2. Production

(1) The GRC regional analysts were practically unanimous in expressing a desire for more specific direction of the production effort. The kinds of direction desired can be discerned from a review of the following typical comments:

(b) Who are the "policy makers" to whom the product is directed? What are their particular needs, their capabilities to study the situation, or their idiosyncrasies which must be taken into account at time of production?

(4) What are the support responsibilities of ONE? ⁽⁴⁰⁾ basic research? to working levels of other intelligence agencies? to GPC and OSO for operational as opposed to intelligence support? to GCB for completeness of the Library and Register of the government?

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the government!

(e) How much production assistance can ORE expect from the other intelligence agencies? Can ORE assign production studies to the other intelligence agencies? If so, how can it insure compliance? How far can ORE go in duplication of activities of the other intelligence agencies? in plugging intelligence gaps resulting from the inertia, lack of staff, or incompetence of other intelligence agencies?

(f) Should ORE report instances where implementation of U.S. policy endangers US national security? or where U.S. activity abroad deviates from U.S. policy to the detriment of U.S. national security?

(g) How fully should an intelligence report or estimate be documented? Should meaningful comparisons be included? Should documentation be included in the report, in an appendix, or retained in division files?

(h) What factors influence presentation of an estimate as a weekly item, as an Intelligence Memorandum, as an O&A? Under what circumstances should an estimate be coordinated with the intelligence agencies represented on the IAC?

(2) Coordination, substantive review, and editing appears to consume a disproportionate share of ORE production effort. Also, each additional handling adds a day or more to the production-processing which may detract from the current value of the estimate. Moreover, the total process discourages the analyst and tends to dull his enthusiasm and initiative. This criticism was leveled at each of the three levels of coordination and review, namely intra-divisional, inter-divisional, and inter-agency. Typical complaints expressed by analysts are:

(a) Division review is time-consuming and may result in publication of estimates in which the originating analyst does not concur. (This is particularly true of one division where nine internal reviews are made prior to submission to D/Pub).

(b) Few criteria or guides exist to which the analyst may turn for help in writing an acceptable first draft. Criteria as to style, format, language, punctuation, and substantive coverage are needed. The analyst is not told "why" his draft was not acceptable so that he may correct his errors and develop his drafting skill to a point where he can produce intelligence which can be published as is.

(c) It is impossible to get a firm answer to drafting questions of even minor importance, e.g., Should Satellite (satellite) be capitalized? Each reviewer exercises his own judgment.

(d) Each reviewer or editor feels it his duty to rewrite the paper. This, in turn, usually results in a second rewrite by the originating analyst.

(e) Desk analysts feel that editorial and functional reviews often exceed the jurisdiction of the reviewer.

(f) Considerable analyst time is consumed in educating the reviewer and adds little or nothing to the quality of the estimate.

(g) D/Pub tendency to exploit the news value of the report and to achieve brevity impairs the factual and intelligence integrity of the estimate.

(h) While D/Pub is functionally responsible for assignment and coordination of production action, the regional divisions report that production requests are also received from Global Survey Division, from International Organization Division, from Economic Division, and from other regional and functional divisions of ORR, without prior coordination with D/Pub. The divisions are most happy to comply with all such requests and generally do without protest. However, such action places a severe workload strain on the regional divisions and disrupts normal production activity.

(i) Clearance of estimates with agencies represented on the IAC is unduly lengthy and time-consuming. In many instances reports have been rewritten twice to bring them up-to-date during the six to eighteen months taken for such clearance. Informal agreement reached at the working level is often nullified at time of formal coordination by higher echelons of the coordinating agency. In some instances, exception is taken to an estimate purely on the grounds that the coordinating agency does not have enough knowledge of the situation to concur. In other instances, rhetorical, rather than substantive issues, consume valuable coordination time.

(j) Little thought has been given by regional analysts to methods employed in intelligence evaluation and estimating.

(k) Checks on the accuracy of estimates have been achieved through coordinating with interested regional and functional analysts of other desks and divisions and through substantive review by Intelligence Control. (It might be parenthetically stated that the effectiveness of Intelligence Control varied considerably, such variance being contingent on the proximity of the control officer to the area picture, on the analytical and substantive

competence of the Control Officer, and on the strength and objectivity of the Division Chief in his role of arbitrator.) Little or no thought has been given in the regional divisions to development of objective checks on estimates through scientific methods such as content analysis, which might confirm or question estimates based on impressions.

(b) Also, little attention has been given to determining the best methods for daily analysis of the incoming information and subsequent indoctrination of analysts in the accepted methodology. While it is recognized that considerable freedom must be enjoyed by the analysts to compensate for human differences, the survey disclosed sufficient evidence to indicate that this phase of the intelligence operation could be improved. The survey disclosed that three unrelated ORG actions have forced method changes which have a seemingly beneficial effect. First, ONE administrative injunction on size of files has forced considerable consolidation of information. Secondly, the preparation of the situation reports forced consolidation of information and the preparation of a synthesized current picture of the area in question. Thirdly, the working paper maintains on a current basis the intelligence picture drawn together in a situation report. It was further noted during the survey that a direct relationship existed between the competence of area coverage and degree of selectivity employed in retention of information in the analysts' files. Smaller files generally paralleled fuller evaluation and synthesis of the intelligence on the area.

(4) The working paper has emerged as a palliative agent for the problems presented in paragraphs (1), (2) and (3), above. With the working paper, the Division could establish policies, where none existed; it could exempt itself from prescribed coordination; and, it provided a means for organizing the mountains of heterogeneous data received daily. The working paper has been most useful and helpful to ORG. It has presented a plan for consolidation of data, it has given the untried intelligence analysts an experimental area in which to become oriented, to develop and to practice and improve their skills in intelligence analysis, evaluation, and presentation. The questions now arise as to whether:

(a) the usefulness of the working paper is declining?

(b) its existence obscures the more vital task of producing high-level national intelligence?

(c) the intelligence contained in the working paper is sufficiently utilized to justify the effort expended?

(5) A close relationship appears to exist between ORR divisional breakdown and the subject-matter coverage of intelligence estimates. In some instances the reflection of organizational jurisdiction in estimates has adversely affected the completeness of the estimate, e.g., a critical situation arising in one area may be reported by that area specialist and the significance of the action to affairs of that area and to U.S. security will be indicated, with no mention being made of the significance of that action on other areas of the world. Analysts frankly admitted that outlines for estimates were designed to eliminate need for coordination with other divisions. Also, in the preparation of daily and weekly items, care was taken to confine reporting and estimating to their own areas and to those other areas where cordial and cooperative relationships existed.

(6) ORR intelligence on the Soviet and its relationships with the rest of the world has probably been more severely restricted by organizational influence than the intelligence on the non-Soviet areas. Responsibility for reporting Soviet intent has been placed with D/EE, while responsibility for estimating Soviet capabilities for other than Russia proper and the Satellites has been placed in the other ORR regional divisions. EE analysts feel they cannot fulfill their responsibilities properly without maintaining cognizance over capabilities of other areas. Thus, one finds in D/EE a group of analysts assigned on a world-wide area breakdown for duplicate coverage of the rest of the world. It can also be stated that this dispersion of effort within EE leaves the total coverage of Russia proper to one analyst, which would appear to be insufficient coverage. At time of production, when Soviet influences or intents are being appraised, a deadlock can easily develop between D/EE and another regional division as to jurisdictional prerogatives. In some cases, estimates are killed because issues cannot be resolved. This situation is particularly acute in the areas of recent communist control, such as China and Eastern Germany. The analysts of EE advance one logical argument for their encroachment on responsibilities of other areas, namely, the situation must be presented from a Soviet viewpoint, which is not present in the other divisions. Until these jurisdictional questions are settled, incomplete estimates will continue to be published, many required estimates will be killed prior to publication, and valuable production effort will be wasted in futile haggling between divisions.

(7) Intelligence coverage of Africa represents another serious division of responsibility. The African Branch of D/REA is concerned with only the economic aspects and phases of intelligence activity and intelligence production. Political aspects for these countries under the jurisdiction of the African Branch are handled by the country whose decisive policies govern colonies within the continent of Africa i.e. the Portuguese colonies governed by the country of Portugal within the Western European Division and the British colonies whose activities are governed by the Western Division.

(8) A wide variance was noted in the amount of pressure exerted in different regional divisions for intelligence production. The analysts of Latin-America Division admitted that they would welcome more requests for intelligence and would enjoy working under more pressure. On the other hand, analysts of EE/Econ Branch were putting in many hours of voluntary overtime to meet the continuous pressure of deadlines and requests. There appears to be need for equalizing these production pressures through functional or organizational adjustments.

b. Recommendations: It is recommended that:

(1) ORE policy together with implementing procedures be developed, in conjunction with COAPS when necessary, to clarify:

(a) Substantive content of estimates in relationship to user, production vehicle to be employed, documentation desired, and other content obscurities.

(b) Support functions of ORE regional divisions.

(c) Relationships with agencies represented on the IAC.

(2) Production control, coordination and review responsibilities be clearly defined, established, and enforced. A style manual presenting ORE policy on style, format, language, punctuation, and substantive coverage be prepared for use by all ORE analysts and editors. A training program be established which will facilitate the initial production of intelligence sufficiently finished to permit immediate publication and thereby eliminate the present practice which condones the rewriting of the intelligence by editorial specialists.

(3) Research and experimentation be conducted within ORE, with regional division participation, to develop and to utilize, new and improved techniques and methods for:

(a) Checking the validity of intelligence estimates.

(b) Evaluating and integrating the daily incoming volume of information into meaningful intelligence.

(4) In conjunction with recommendation (3) (b), above, the position of the working paper in the ORE production effort be defined in terms of:

(a) amount of time to be employed in this type of production

(iii) purposes of this paper

(c) manner in which the paper will be used.

(5) The functions, organization and procedures of the regional and functional divisions be redefined to:

(a) provide ease of coordination within OMB

(b) insure completeness of estimates

(c) relate organization and staffing to national security needs

(d) equalize production workload among producing components.

c. Comment: The proposal of interested GAO officials that the organization, functions, and program be reoriented to the present-day world situation appears to have considerable merit and might greatly enhance OMB's production activity. It is recommended that a plan reflecting this proposal be drafted immediately for discussion with the Executive, OMBP, and possibly the Director. The Management Staff will render any assistance you may desire in drafting the plan.

3. Basic Research

a. Findings

(1) Wide variance was found in the amount of basic research being conducted within the regional divisions of OMB. D/AFS carefully refrains from any type of basic research. D/IA and D/NSA believe they must continue to engage in basic research to about the same extent as is presented in the Situation Reports, while Eastern Europe is engaged in full-scale basic economic research. There appeared to be unanimous expression of need for basic research facilities. Presently, the OMB regional analysts are unable to rely on State Department and other governmental basic research facilities because:

(a) OMB analysts have no directive power to insure acceptance of projects by these agencies or, if accepted, that they will comply with the request within necessary deadlines.

(b) These agencies do not have sufficient staff for the intensive coverage required by OMB.

(c) These agencies do not have access to all the intelligence materials available to OMB so are not able to present as accurate a picture as OMB might desire.

(2) The NIS program has not been designed for ONS regional needs and the absence of coordination between the NIS and ONS regional divisions has vitiated the usefulness of this program. A discussion of the unreconciled factors between basic economic intelligence coverage of D/EE and the NIS program is attached as Tab A. Moreover, the NIS studies thus far completed have been found by ONS regional analysts, to contain inaccuracies and to be incomplete. A discussion of D/NEA reaction to the NIS studies covering its area is attached as Tab B.

(3) If production requests levelled on D/EE for intelligence on Soviet economy are to be accepted, ONS has no alternative but to support a fairly large basic economic research activity for coverage of the Soviet economy.

b. Recommendations It is recommended that:

(1) A plan be drafted whereby NSC authorization will be provided for the basic economic intelligence activity now underway in D/EE.

(2) The basic economic coverage of the Soviet include all areas under Soviet influence which contribute to the Soviet economic potential and all such activity be in one organization to obtain full utilization of industrial specialists. (Note - During the course of the survey, a proposal for including coverage of China and Eastern Germany in D/EE economic branch activity was presented to Chief, D/EE, and Chief, D/EE.)

(3) COMPS intercession be requested to obtain better service from ONS of State Department on basic research requirements, and greater effort be expended to utilize the facilities of the Department of Defense.

(4) The facilities of other non-intelligence government agencies be employed to assist in providing basic research. Where reimbursement is required, the project be submitted to the Project Review Committee. (Note - It was suggested during the survey that a project be formalized to utilize foreign trade statistics maintained by the Department of Commerce.)

(5) The facilities of OGD Registers be more fully developed by coordinated effort between OGD and ONS for purposes of maintaining and supplying basic intelligence data. Also machine method facilities of OGD be employed more fully for centralization of basic statistical data.

(6) Action be taken to provide access to the files of NIS contributors for ONS regional analysts.

(7) The facilities of the External Research Program be more fully employed to provide basic

4. Requirements

a. Since the problems relating to this activity are inter- and intra-agency in scope, the survey findings are contained in a memorandum to Chief, COAPS, attached as Tab C. Management Staff, recommendations are contained in a "Proposed Plan for Realignment of Certain Agency Functions", dated 3 July 1950, attached as Tab D.

b. The analysts generally indicated that the ONE Requirements Staff emphasized its "control" function and appeared to be more of an obstructing than a facilitating agent in servicing their information needs. It is suggested that the Requirements Staff reach a closer understanding with ONE regional analysts so that its assistance will be recognized as such.

5. Collection

a. Findings

(1) Survey findings and recommendations relating to the collection of information are contained in three memoranda addressed to Chief, COAPS, to AD/CO and to AD/OSO and attached as Tabs E, F, and G respectively. Also attached as Tab H is a memorandum addressed to AD/OSO containing survey finding on OSD service to ONE regional divisions.

(2) The adequacy of collector's fulfillment of ONE needs was largely contingent on the informal coordination existing between ONE desk analysts and the appropriate collector's area specialists. All analysts heartily endorsed efforts made within the past six months to establish coordination between ONE analysts and CO-OSO area specialists.

(3) The economic analysts of D/EE expressed need for representation on the interrogation effort now in progress in Germany.

(4) The one collection service under the cognizance of ONE, namely, presentation of U.S. returning officials, while most fruitful in some instances, was regarded to be of marginal value in many cases. The analysts felt the greatest value derived from such presentations is the opinions offered by the official on critical situations. Such opinions are generally offered only at small informal gatherings.

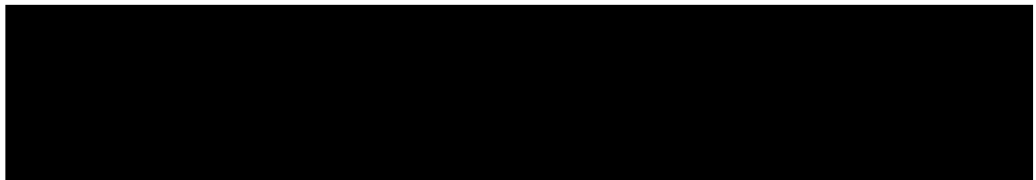
(5) The curtailment of foreign newspapers for budgetary reasons was cited in some cases as seriously curtailing the information available to the analysts. (Management will investigate.)

b. Recommendations It is recommended that:

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(1) ORE officials cooperate with officials of COAPS, OO, OSO, and OCD in evaluating and implementing suggestions of ORE analysts for improved collection support from other offices and agencies.

(2) The efforts taken to strengthen relationships between ORE desk analysts and area specialists of OSO-OO be continued. (Note - Closer coordination between D/WE and OO/C was initiated as a result of a survey suggestion.)



(4) The following suggestions for enhancing the presentation activity be evaluated and implemented, if feasible.

(a) Provide more data on the speaker, such as his specializations, and an evaluation of his effectiveness, as indicated by reports he has submitted and the personal knowledge of analysts.

(b) Arrange for a greater number of small specialized gatherings and a fewer number of large general presentations.

(c) Provide transcripts of presentations to interested analysts, when so requested.

(d) Make provision for debriefing ORE analysts who are sent abroad on official business.

(5) Request adequate budgetary provision for purchase of foreign newspapers and other materials when analysts express real need and are capable of handling the language without translator assistance.

(6) Provide a procedure whereby desk analysts will be alerted to watch for new sources of information and whereby adequate follow-up of such suggestions will be provided.

6. Information Control and Reference Activity

a. Findings

(1) The volume of information routed to desk analysts each day is constantly increasing. Scanning, annotating and filing these materials absorb a considerable portion of the analysts' working day. The problem of handling these materials more expeditiously will become more critical as more materials are received with no further increase in staff.

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(2) Varying degrees of selectivity in determining value of documents were encountered at the control or distribution points prior to receipt of information materials by the desk analyst.

(3) Channeling requests for inter-library loan through both division and ORE information controls resulted in duplicate workload and delay in receipt of requested materials by the analysts. Also, channeling requirements through division information control resulted in duplicate workload and in delays in receipt of requested materials.

(4) Several of the Division Information Control Sections maintained two document locator files arranged by control number and by area. In most cases only one of the files was utilized for reference purposes. Also like locator information is maintained by OCD.

(5) The size of files maintained by analysts varied considerably from division to division. ORE direction to keep files to a minimum has to a large extent been well received by the analysts and they are for, the most part, complying with the directive. Large files were maintained by desk analysts who:

- (a) were comparatively new to the organization
- (b) had recently initiated coverage of a new area
- (c) had a situation report to complete.

(6) Instances of unnecessarily large files noted during the survey were reported to Branch and Division Chiefs for corrective action.

b. Recommendations It is recommended that:

(1) The plan for integrating ORE information control activity with OCD dissemination and distribution activity presented in memorandum to AD/ORE, dated 29 November 1949 be implemented.

(2) After implementation of plan described in (1), above, arrangements be made with OCD to determine to what extent OCD readers can be selective in screening out materials of marginal or no intelligence interest to ORE desk analysts, thereby reducing the volume of materials received by desk analysts. (Note - During course of the survey an experiment was initiated whereby OCD readers would select, in accordance with specific requirements, materials to be forwarded to the International Communism Section of D/EE. D/EE evaluation at the end of the months' experiment should determine if OCD selection would be of benefit to this D/EE activity and the

(3) Only one document locator file be maintained in each Division Information Control Section.

(4) The limitation placed on analyst files being maintained in ORE be continued and the desk analysts be encouraged to rely more heavily on OCD reference facilities, and to provide OCD with continuous advice on services and materials desired.

7. Administrative Considerations

a. Findings

(1) Pending action on an over-all ORE reorganization, recommended in paragraph 2b(4), above, certain T/O adjustments are required within D/EE and D/NEA.

(2) The area analysts indicated that they felt their efforts were not of interest to or appreciated by Agency top management.

(3) Likewise, they indicated that their opinions were not solicited as to administrative policy and procedures within ORE when such action concerned their working effort or welfare.

(4) The analysts expressed a need for Agency assistance and facilities to promote their professional growth, maturity, and competence.

(5) To assist them in their work, the analysts felt need for greater freedom to consult with specialists within all parts of the Federal Government, for greater knowledge of technical skills existing within CIA, and for access to security-cleared consultants outside the Federal Government.

(6) Provision of some office accessories, normally authorized for Federal Government use, such as telephone books, and improvement of office working facilities would be welcomed by many of the analysts.

b. Recommendations It is recommended that:

(1) T/O adjustments in D/EE and D/NEA be worked out with Management Staff.

(2) The AD/ORE take appropriate action to persuade the Director of Central Intelligence, the Executive, members of COAPS, and other policy-making officials of the Agency to confer with the ORE regional division analysts periodically. Also insure that appropriate comments of the Director and other Agency policy-makers on particular ORE intelligence be communicated to all interested analysts.

(3) The members of the Plans and Policy Staff be instructed to solicit opinions, not only of Division Chiefs, but of the interested area analysts, prior to development of ORE plans, policies, and procedures.

(4) Steps be taken within ORE to request appropriate Agency action to provide for ORE analysts:

- (a) foreign language classes
- (b) foreign travel or foreign assignment by ORE-OSO exchange
- (c) trips to American industry
- (d) indoctrination in organization and facilities of the Agency.

(5) Procedures be established, through appropriate Agency channels, to provide for ORE officials:

- (a) listings of technical skills of CIA personnel
- (b) listings of technical specialists in other agencies of the Federal Government who may be available for consultation.
- (c) listings of security-cleared consultants from outside the Federal Government.
- (d) permission to consult with the specialists listed in (a), (b), and (c), above.

(6) Arrangements be made:

- (a) to provide CIA telephone directories to the analysts who express need for them
- (b) to provide wall clocks in the ORE working offices
- (c) to consider, when the present space crisis is over, the needs of certain analysts for greater privacy when conferring or drafting. Possibly, the provision of two or three partitioned cubby-holes, such as reading rooms provided graduate students in university libraries, per division might be practical. Also, explore the possibility of obtaining, through procurement channels, glass enclosed office units, recently placed on the market.

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cc: Executive

Chief, OAPS
Sanitized - Approved For Release : CIA-RDP57-00042A000100170003-8
Budget Officer

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JUL

MEMORANDUM FOR: Assistant Director for Reports and Estimates

FROM: Management Officer

SUBJECT: Factors to be reconciled between NIS program and basic economic research activity of Eastern Europe Division, ORE

1. A complete and reliable body of knowledge of basic statistics and data on Russian and Orbit economy presently is nonexistent. Policy planning bodies such as Joint Chiefs have continuous need for such information, broken down by industry and commodity.

2. The western nations generally publish this type of information in public documents such as almanacs and yearbooks. The data needed for United States foreign activities is compiled and maintained in agencies having the primary interest such as Commerce, Agriculture, Labor, and Interior. The primary use for these data is United States foreign trade and finance. OIR of State Department has primary responsibility for maintaining the data required for intelligence operations.

3. The situation concerning Russia and Satellites is quite different in all respects. The data is not publically issued which requires employment of intelligence collection and production techniques to arrive at complete and reliable answers. The primary needs for these data on the Soviet are: (1) waging a cold war; (2) ascertaining Soviet capabilities and intentions regarding a "shooting" war.

4. While some information on basic Soviet economy is maintained in Commerce, Agriculture, Labor, Defense, and particularly OIR of State Department, the coverage is specialized, incomplete because of lack of staff, and unreliable in these agencies denied access to classified information. To remedy this situation within CIA, an Economic Branch with approximately fifty positions was established in Eastern Europe Division.

5. However, by NSCID 3, CIA is also charged with the responsibility for coordinating and reviewing National Intelligence Surveys being produced outside of CIA, which would present basic intelligence on all areas of the world. Thus, basic economic data on the Soviet is being compiled and published by another ORE component.

6. To date, no effort has been made to join the two efforts. It would appear that close coordination of these two activities would be mutually beneficial and duplication of effort could be drastically reduced. Examples of the cleavage between these activities are:

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a. The analysts of Eastern Europe Division have never seen and have no knowledge of the NIS outline. There is no assurance that the completed NIS will be of any use to Economic Branch, Eastern Europe Division.

b. No attempt has been made to standardize economic values used, such as bases, criteria, statistical formulae. Thus, we may have contradictory basic intelligence emanating from CIA.

c. The analysts of Eastern Europe Division have not been consulted as to priority of production assignment of NIS sections.

d. The analysts of Eastern Europe Division have never been informed as to what agencies of the government are participating in the NIS program or their areas of responsibility so they are not able to avail themselves of the effort being expended in economic study of the Orbit.

e. NIS participants of other agencies have informally approached Eastern Europe Division requesting assistance such as:

- (1) Access to FDD holdings.
- (2) Access to EE files.
- (3) EE opinion and advice on their projects.

f. Pre-publication drafts of NIS sections are not made available to Eastern Europe Division analysts for reference. A draft is forwarded to Eastern Europe Division for review but must be returned to NIS Division within stated time limitations.

g. No action has been taken to authorize Eastern Europe Division utilization of data being compiled in other agencies for purposes of keeping issued sections of the NIS current by periodic revisions of such sections.

7. Consideration should be given institution of procedures for coordination of these two basic economic intelligence efforts. Such action would eliminate costly duplication of effort within the Federal Government and would enhance the quality of the intelligence product. Possible procedural changes are:

a. Review of NIS outline by Eastern Europe Division economic specialists to ensure complete coverage and to indicate priority of activity to be undertaken in other agencies from standpoint of need within Eastern Europe Division.

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b. Arrangements to permit continuous liaison with NIE producers and Eastern Europe Division so that data may be freely exchanged and work effort may be integrated.

c. Definition of channels and priorities for utilization of CIA services of common interest to both groups. These CIA services include FEU and GCD.

d. Assignment of production of basic economic intelligence of Soviet to Eastern Europe Division.

8. Many of the above listed discrepancies are equally applicable to other divisions of ORE but are not as serious since it does not involve complete duplication of activity.


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Assistant Director for Reports and Estimates

JUL 14 1950

Management Officer

Discussion of D/NEA reaction to the NIS Studies Covering this
Regional Area

1. Many hours of production analysts' time have been allocated to the correction of basic research materials submitted through NIS channels by Chapter contributors to D/NIS and referred by D/NIS to ONE regional divisions for comment. These comments include correction of errors and detection of inaccuracies, omissions, and fallacious statements contained in the basic drafts.

2. Despite the effort expended by the intelligence analysts within the responsible ONE area to correct contributors' drafts, it appears that D/NIS has often disregarded the efforts of these regional analysts. In these cases, D/NIS has two stories and needs only one correct answer. The question arises as to who is correct, the contributor or the ONE regional analyst? This seeming disregard of ONE regional comment may in large part be attributable to the fact that once the basic research has been performed within the Agency having responsibility for the contribution, D/NIS is unable to gain acceptance of errors and inaccuracies pointed out by ONE analysts.

3. Comments of ONE area specialists in D/NEA indicate that materials used for basic research by Chapter contributors are limited to those immediately at hand and little or no effort is expended in exploiting source material available locally through other agencies or available through field action.

4. It appeared to us that the D/NIS attitude is that errors in these publications will reflect on the Chapter contributors and not on CIA. This attitude is not shared by the Management Staff. On the contrary, it is our experience that many responsible Agency officials feel that this is a CIA publication. Credit or criticism of the publication will fall on CIA and not on the Chapter contributors.

5. We have checked these complaints with the Chief and editors in D/NIS. They indicated that they are aware of these difficulties and are taking steps to rectify existing situations. It appears that a further check should be made with D/NEA analysts six months hence to determine if corrective action has been taken by D/NIS.

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Chief, CSAPS

25 May 1970

Management Officer

Information Requirements

1. On 12 April 1970, the Acting Executive requested that I re-examine the requirements and collection directive situation in coordination with your staff, submitting recommendations, fully documented.
2. Pertinent facts relating to this problem obtained through surveys of OCS, OCS and OSI are presented in the attached study together with suggestions of analysts of OCS and OSI for improvement of the present situation. To permit you to review the problem objectively, recommendations of this office are not included.
3. It is suggested that, after you have reviewed the attached study, we hold an informal conference at which the merits of the suggestions of the OCS-OSI analysts can be discussed and at which we can develop for the Acting Executive coordinated recommendations relating to improvement of the present situation. At this time Management could have AB/OCS and AB/OSI concur in the statements made in this study if documentation is desired.

Att: Study

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INFORMATION REQUIREMENTS

1. Present Agency policy sets forth a formal procedure for the processing of information requirements. The role of the principal participants follows:

a. The production analyst - The need for the information is identified and formulated. The need usually arises either from the receipt of an information report which suggests possible changes in the current situation or from initiation of a production paper, the completion of which is contingent on further information. The formulated need and suggestions for source assignment are incorporated into a tentative request for action by the ORE or OSI requirements staff. In ORE the request is channeled through a division information control unit for establishment of controls. In both offices, the requirement usually has the official concurrence of the division chief.

b. The ORE/OSI Requirements Staff - The request is examined at this point for determination as to coordination required within the other divisions of both production offices and this coordination is effected. Also the request is examined to determine:

- (1) If documented information on hand may satisfy the request.
- (2) If the request duplicates requirements outstanding.
- (3) If time limitations are reasonable.
- (4) If the information requested is within the functional and organizational sphere of the requestor.
- (5) If the information requested is of such a kind that the collector can be expected to respond, e.g., Only questions "of fact" are accepted; questions "of mind" are excluded.

When the above determinations have been made, the requirement is redrafted, a ditto master is prepared and the requirement is transmitted to OCD.

c. Liaison Division, OCD - The activity of the Production Offices' Requirement Staffs is duplicated here in relationship to other offices of CIA and to the IAC agencies. The collection source is determined, with consideration being given to suggestions of the production analyst and the Production Office Requirements Staff. A collection directive is prepared, attached to ditto copies of the requirement and dispatched to the collection agency.

d. Collection Agency - The collection agency carries on from here determining methods and facilities to be employed. It should be noted that the collection agency may refuse to accept the requirement and may do so without justifying its action. In the case of State Department, the requirement must first be reviewed and in some cases redrafted by the JIA desk, prior to receipt by the policy desk for collection action.

e. Authorized deviations from the formal procedure - 1/

(1) The "P&P" procedure - OO/C's pressing need for requirements two years ago resulted in installation of a procedure whereby OO/C directly requests requirements from O&B-O&I when it has travellers going to foreign points. The requirements resulting from the request are transmitted directly back to OO/C with O&D receiving an information copy for subsequent dissemination of reports resulting from the requirements. O&B analysts, O&B Requirements Staff, and O&B/Adps. have all expressed the belief that this procedure may not be necessary if liaison contact were established between OO/C and O&B-O&I analysts. It would appear considerable savings in processing time by all participants could be achieved if this procedure were discontinued.

(2) Presentations - Information requirements formulated for interrogation of U.S. Government Officials returning to this country are prepared by the production analysts of O&B and O&I and are transmitted directly to the Presentation Branch of the Administrative Staff, O&B, who arranges for the presentation.

(3) Scientific requirements - O&D has relinquished its assigned function for final coordination of all scientific requirements to O&I. Presently, the bulk of scientific requirements are generated in the SIC and its sub-committees. In the case of a scientific requirement originating outside the SIC, such as one from O&C or O&O, O&D sends the requirement to O&I for final coordination.

f. Confusions existing in the present organization -

(1) Responsibility for initiation of requirements in the biographic, industrial and graphics fields have not been assigned and neither O&D nor O&B is sure of its responsibility to initiate or to coordinate these requirements.

(2) No policy has been established as to the need for or desirability of O&B-O&I reviewing the requirements of non-production offices of the Agency, i.e., O&C, O&O, and O&P.

2. A discussion of Information Requirements requires clarification of the term "information requirement". In its broadest sense an information requirement could be any request for intelligence information, such as:

Unauthorized deviations are discussed in paragraph 1.

- a. Request for a book in the library
- b. Request for field collection of information not previously documented, or
- c. Request for a research study by IAC or through external research facilities.

Factors a and b above fall within the "requirements" concept which prevailed within CIA until the reorganization of OCS in June of 1948. At that time, it was decided to exclude requests for documents from the "requirements" process. The third factor listed above has always been handled as part of the "production" process.

At this point, general agreement prevails that the "requirements" activity is concerned with direction of field collection. However, within this definition, a wide difference of opinion is found as to "what" action constitutes direction to collection facilities. For purposes of this discussion, three types of directive action can be identified and discussed separately:

- (1) General reporting guides.
- (2) Directives to the collecting facility for procuring and reporting specific information within specific time limitations.
- (3) Guidance to the field on the scope and method of reporting desired for currently strategic situations.

3. General Reporting Guides - This type of requirement action is processed through the requirements organization outlined in the preceding paragraph. This requirement is designed to guide the collector as to topics of interest.

No Agency pattern has been established for the presentation or initiation of this type of requirement. ONE has probably achieved the greatest uniformity whereby comprehensive guides (up to 50 pages) have been drawn up for each country. The content is in outline format with categorical breakdowns. It may be compared to the "Essential Elements of Information" issuance of the Department of the Army. Some divisions of ONE have made the issuance more meaningful by indicating on the margin opposite each entry a code for priority of need and another code indicating quality of existing reporting on that topic. It should be noted that because this issuance is a topical outline, no relationships between topics, other than categorical arrangement can be shown.

OUI is far behind ONE in issuance of meaningful collection guides. No attempt has been made to coordinate the ONE and OUI activity in this area. No action has been taken by either ONE or OUI to coordinate these guides with the IAC.

OCS has issued one such document on transportation requirements. The propriety of OCS action re this requirement was questioned by the Management Staff.

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4. **Directives for Specific Information** - This type of request is considered to be the most important and the bulk of requirements processed fall within this category. Like the reporting guides, these requirements must be processed through the requirements organization outlined in paragraph 1 above.

Surveys of OSI and ONE reveal that the ONE and OSI analysts are not initiating many of these requirements which are necessary to objective intelligence estimating. For example:

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a. **MR/ONE** - [REDACTED] Within the past six months, one requirement was initiated in October, one in November and a third in February. Discussion with analysts concerned indicated considerable need for further information.

b. Within calendar year 1969, OSI initiated only 34 requirements of this type, even though OSI recognizes that the need for scientific information is critical.

Immediately, the question of why these requirements are not being initiated arises. Several answers to this question were supplied:

a. The processing machinery is too slow. When questions arise, answers must be promptly obtained to be of value. An ONE study revealed that in many cases sixty days elapsed from the initiation of the requirement until the request was dispatched to the field. It should be noted that in addition to the sixty days mentioned above, an additional fifteen to thirty days must be added for collection and transmission of the reply. (Of course, many collection actions under study require months to complete.)

b. Controls and reviews inherent in the present processing machinery are unduly time-consuming to the analyst. - The analyst is greatly limited by strict interpretation of the criteria set forth in paragraph 1b above at all control points. He must be prepared to justify his requirement in fullest detail showing that the request meets each qualification. In practically each instance the request is rewritten at one of the control points and the analyst must either compromise on amount or kind of information requested or be prepared to spend many hours explaining the intelligence situation which has prompted the request. Examples of actions resulting from this strict control follow:

(1) After three months of waiting, an analyst in ONE was advised that the report which prompted his inquiry for further information satisfied his requirement.

(2) A bibliography of reference materials compiled by the CIA Library from Library of Congress catalogs, was presented to an OSI analyst as satisfying his request for field collection.

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a. Determination of what type of collection guidance should be handled within a requirements organization and clarification of responsibilities for requirement action.

b. Development of a requirements organization and procedures which will permit:

(1) Easy initiation of requirements.

(2) Speedy action on dispatch of requests to the field.

(3) Adequate guidance from producers of national intelligence to field activities.

(4) Effective coordination of requirements from both collection and production viewpoints, both within CIA and possibly by Joint CIA-LAC type action, (such as joint committees).

c. Improvement of service to CIA from collection facilities.

7. The following suggestions have been made by ONE-OSI analysts for improvement of both requirement and collection activities:

a. Coordination of all requirements and assignment of collection action by originating production division.

b. Assignment of requirement activity to a member of the production division who will be empowered to deal directly with all collectors' agents.

c. Establishment of operational liaison between regional desks of ONE-OSI and OD/C and OEO whereby requirement action will be handled directly between CIA producers and collectors. (In process of implementation.)

d. Assignment of an ONE-OSI liaison officer to each field post (Embassy) who would be in direct communication with appropriate production analysts.

e. Establishment of direct communication between OEO representatives in the Embassy and appropriate ONE analysts to permit OEO coordination of ONE-OSI field requests.

f. Expansion of ONE-OSI requirements staffs to permit assignment of a staff member to each ONE regional division and OSI functional division for complete handling of requirement from time of its inception to action by collector.

g. Participation by ONE and OSI in the operational planning of all collection facilities, but in particular of those in CIA.

h. SEC direction to LAC collectors to give priority to all CIA requests.

1. Initiation of a periodic newsletter from O&A desk directly to the appropriate Embassy, whereby CIA projects and collection suggestions can be brought to the attention of field personnel.

g. Recognition of the "evaluation" as a requirement vehicle, without subjecting it to requirement controls.

Subject

TAB D

Memorandum to HOD/OCIO et al.
Subject: Realignment of
Certain Agency Functions
Dated 10 July 1950

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5. Foreign Documents Division -

a. In general, the analysts of HR and OSI expressed satisfaction with FID compilation service, but were not satisfied with the translation service. It was recognized that FID staff limitations to a great extent influenced the amount of translating assistance that could be extended. When asked for a specific expression of which service was found to be most valuable, the great majority indicated that more value was obtained from the compilation effort and that FID emphasis should be placed in this field.

b. The suggestions for improvement of the FID service centered around the translation activity:

(1) Facilities for translating need considerable augmentation. This is particularly true for translation of basic documents on the Soviet and Satellite areas, the bulk of which are unclassified, such as textbooks, manuals, encyclopedias, histories. It is recommended that FID explore the possibility of establishing, through Project Review Committee action, a contract or contracts with private translating services, who can, under instructions from FID, translate unclassified documents needed for Agency use. FID would be responsible for selecting the documents to be "farmed out", adhering to appropriate security restrictions. This Division would also review and spot-check the results to insure accuracy of translation and compliance with contract conditions for payment and performance.

(2) O/S of HR and OSI requested assignment of FID translators to their areas to serve as scanners for analysts who lack the language skills. It was felt that considerable time of both the production offices and of FID could be saved by "on the spot" determination of need to translate all or only portions of pertinent foreign-language documents.

(3) If the suggestion in the preceding paragraph is implemented, then it would appear desirable to route those miscellaneous foreign-language documents, not normally included in the FID compilation effort, to HR and OSI divisions prior to translating or compilation action by FID.

(Note: The Management Staff is not convinced that suggestions of HR-OSI analysts (2) and (3), above, are practical. If upon consideration of the suggestion, you feel it merits consideration, will you please inform us of your decision and keep us fully advised of action proposed and results obtained.)

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Assistant Director for Collection and
Dissemination
Management Officer

100 1 1950

**Suggestions for Improvement of OCD Service Resulting from Management
Staff Studies of ORN and OSI.**

1. Discussions with production analysts of ORN and OSI during Management Staff studies resulted in comments and suggestions for improvement of the support activities of the Agency and of other intelligence agencies. Suggestions for improvement of the general collection coverage and service are contained in a memorandum to Chief, COAPS, et. al., dated 14 July 1950. Survey findings relating to requirements are set forth in a memorandum to COAPS dated 25 May 1950. Management Staff recommendations are presented in a memorandum to the Executive, dated 2 July 1950, titled, "Realignment of Certain Agency Functions". Comments directed specifically toward the OCD service are set forth below.

2. The majority of analysts expressed growing confidence in the ability of OCD reference facilities to serve them satisfactorily. They specifically indicated that OCD service had improved immeasurably within the last year. However, they still expressed a reluctance to depend exclusively on OCD for service on materials held by OCD for reference purposes. Instead, practically all continued to maintain files of reference material known to be available in OCD. However, a trend toward discontinuance of individual holdings as confidence in OCD increased was discerned. Throughout the survey, Management Staff members encouraged the production analysts to utilize and to rely on OCD service to the utmost. Three criticisms levelled at all of the OCD Divisions were:

- a. Failure to advise requester on status of his request when immediate satisfaction was not possible.
- b. Tendency to supply considerable data which was not pertinent to the request.
- c. Absence of a central request-receiving point for obtaining information from one or more OCD Divisions.

3. Suggestions of ORN-OSI analysts relating to the Liaison Division follow:

a. Provide more intensive exploitation of the holdings or materials of intelligence interest in the Federal Government, particularly the agencies not represented on the IAC.

b. Administer operational liaison controls in such a manner as to permit continuing operational liaison between ORN-OSI analysts and counterparts in other agencies, without referral to Liaison Division. This is in accordance with the policy set forth in Administrative Instruction No. 50-5 concerning this type of control.

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c. Identify, arrange for security clearance, and establish contacts for GSE and OSI analysts with technicians in non-IAC agencies, such as the Federal Power Commission, to permit utilization of such technicians for consulting purposes.

d. Procure reference data on the organization, functions, and staffing of other intelligence agencies.

e. Arrange for the reproduction of meaningful single-copy enclosures whenever dissemination indicates referral to several recipients.

4. Suggestions of GSE-OSI analysts relating to the services of the Registers follow:

a. Cross-reference the holdings of Graphics Register, Industrial Register, and Biographic Register so that a request to one of these Registers will indicate the existence of further information in another Register.

b. As requested, route new acquisitions of the Graphics Register to regional divisions of GSE for the information of interested analysts and to stimulate OSI interest in the services offered by the Graphics Register.

c. Explore the possibility of D/EE, Economic Branch, indicating materials to be maintained in the Industrial Register. Such exists for developing some means for reorganizing the Industrial Register holdings and keeping such holdings current so they can be used by D/EE, Economic Branch, thus eliminating duplication of plant files in D/EE.

d. Discontinue preparation and issuance of Industrial Information Reports now being prepared in the Industrial Register. Instead, devote working facilities of the Division to bringing files up-to-date.

e. Supply GSE analysts with docters, when such are available in Biographic Register, rather than preparing biographic reports.

5. Suggestions of GSE-OSI analysts relating to the Library follow:

a. Acquire and maintain in the Library for reference use:

(1) Current organization, staffing, and functions charts of the agencies represented on the IAC.

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- (2) Yearbooks, almanacs, etc., of the Satellite countries.
 - (3) The United States Treaty Series.
 - (4) The United States Trade Agreements.
 - (5) Information about and organization charts of the International Organizations.
- b. Provide better and faster service on inter-library loan.
 - c. Forward meaningful single-copy enclosures to interested ORE-ORI Divisions upon receipt, rather than waiting for the division to request such enclosures.
 - d. List privately-owned reference books brought into the Agency by CIA and make such listing available to interested analysts.
 - e. Provide a bibliography containing, if possible, a short resume of contents, of articles appearing in English-language periodicals, which provide information on the Soviet and Satellites.
 - f. Continue present efforts to fit the Agency classification system to analyst needs.
 - g. Emphasize "service" attitude for all employees. Instances of reluctance of Library employees to serve were reported by various production analysts.
 - h. Increase efforts to orient all employees fully in Library holdings and procedures. Many instances of failure to give service were attributed to unfamiliarity of Library personnel with content and location of Library holdings.

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cc: Acting Executive
Chief, SCAPS
AD/ORE
AD/ORI
Budget Officer

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Assistant Director for Reports and Estimates

24 July 1950

Management Officer

Management Staff Study of ORE Regional Divisions.

1. The results of a Management Staff Study of ORE Regional Divisions are transmitted in duplicate. Will you please immediately review and return the Study with comments by 7 August 1950. Any action arising from this Study will be taken after receipt of your comments.

2. For your information a copy of a memorandum to the Acting Executive which summarizes Management Staff findings is attached and should be considered as an integral part of the report in development of your comments.

3. Expressions of ORE regional analysts and OSI analysts for the improvement of intelligence services during surveys are set forth in action memoranda to appropriate Assistant Directors. These memoranda constitute TABS E, F, G, and H of the Management Staff Study. The original memoranda addressed to:

Chief, COAPS, et. al.	(TAB E)
AD/CO	(TAB F)
AD/OSO	(TAB G)
AD/OCD	(TAB H)

are attached for your concurrence prior to distribution to those officials. Will you please indicate your concurrence of their distribution on the last page of each memorandum and return immediately to the Management Staff.

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Attachments: Management Staff Study of ORE
Regional Divisions and Tabs.

MAR/ms

cc: Subject File ✓

Document No.

NO CHANGE in Class. [1

[1] DECLASSIFIED

Class. CHANGED TO: TS D

Exempt: DDA Memo, 4 Apr 77

Auth: DDA REG. 77/1765

Date: 23 MAR 1978 By: 026

File
28 August 1950

MEMORANDUM FOR: Chief, COAPS
Budget Officer

SUBJECT: Management Staff Study of the Regional
Divisions of the Office of Reports and
Estimates.

1. Attached are copies of:
 - a. Comments of AD/ORE on Management Staff Study of the Regional Divisions of the Office of Reports and Estimates, dated 16 August 1950.
 - b. Memorandum to Acting Executive from the Acting Management Officer transmitting the above-cited study, dated 28 August 1950.
2. Will you please consider these attachments in your evaluation of the problems set forth in the above-cited Staff study.


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Acting Management Officer

Attachments

MAR/ms

cc: Subject File

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Document No. _____
NO CHANGE in CLASS. ☐
☐ DECLASSIFIED
Class. CHANGED to: _____
DDA Memo. 4/1/67
Auth: DDA REG. 77/1001
Date: 10-10-67 By: 

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Acting Executive

28 August 1950

Acting Management Officer

Management Staff Study of Regional Divisions of the Office of Reports and Estimates.

1. The above-cited Staff study is transmitted to you together with the comments of AD/ORE, dated 16 August 1950. The Management Staff appreciates and concurs in the thoughts expressed by AD/ORE.

2. ORE and Management Staff officials are presently working together to resolve the organizational impediments which are presently impairing ORE production. It is anticipated that immediate action will be initiated in conjunction with OCD to install the recommended procedure for centralized routing of incoming documents. As ORE initiates action to resolve other problems cited in the Management Survey, Management Staff analysts will be made available to work with ORE officials, thus insuring over-all Agency coordination of the improvement action.

3. The full-time detail of a Management analyst to ORE for a ninety-day period at the present time does not appear feasible in view of our heavy work program. However, the members of the Management Staff will be assigned to serve with an ORE task force on a project basis as improvement action is initiated by ORE on the problems indicated in the Management Staff study.

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Attachments: Management Staff Study with comments of AD/ORE.

cc: AD/ORE

Chief, COAPS

Budget Officer

MAR/ms Subject File ✓

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Management Officer

Assistant Director for Reports and Estimates

Comments on Management Staff Study of Regional Divisions of the
Office of Reports and Estimates

1. The Management Staff Study containing the findings of a survey of the ORE regional divisions, is an extremely useful document, identifying major problems and presenting an excellent summary of problems that require a coordinated effort by all components of CIA to resolve them. The Management Staff has done an outstanding job in its survey, particularly in view of the size and complexity of the problems involved. ORE views concerning the reasons for some of the more important problems and steps that have been taken to resolve some of them are set forth below.

2. ORE comments on the individual headings of the Staff Study follow:

a. Production

ORE believes that the various problems connected with the production of intelligence stem from the following factors:

(1) Inadequacies in the basic directives, particularly the NSCID's and the approved Statements of Functions of the various CIA components.

(2) Lack of cooperation on the part of the IAC agencies.

(3) Non-existence of a generally accepted body of doctrine covering:

(a) The role of intelligence in the formulation of Foreign Policy.

(b) The logical consequences of this role in the organization and functions of an intelligence organization.

(4) Past failure of responsible echelons in CIA to acquaint themselves with production problems and take aggressive action to resolve them.

(5) Inadequate liaison with key policy-making and intelligence officials.

With regard to the basic directive, it is believed that the recently approved Statement of Functions for ORE will be of material assistance in directing the production effort. In December 1949, ORE

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collaborated with the Legal Staff which submitted to COAPS a draft NSCID designed to remedy other deficiencies in the basic directives. This directive, in amended form, was approved by the DCI on 25 July 1950 and has yet to be submitted through channels for approval by the National Security Council.

Lack of IAC cooperation was reported to the DCI on 30 September 1949 with supporting examples.

The ORE Plans and Policy Staff and various ad hoc committees have addressed themselves to the problem of developing an adequate intelligence doctrine. It is believed that ORE thought on this subject is relatively mature and ORE's action and recommendations are based wherever possible on conclusions derived from this study. The problem of disseminating this doctrine within ORE, however, has not yet been resolved.

A program for the training and orientation of ORE analysts has been under study for some time. Such a program would be of material benefit in communicating developed doctrine to the analysts but the staffing of such a training program and the inroads that the program would make into the current production effort are difficulties that must be overcome.

While ORE is able to identify the key policy making and intelligence officials with whom it should be in constant contact, it has been unable to establish such contacts because of an inadequate staff and the fact that agency contact with many of these officials is reserved to non-substantive components of the agency. ORE is particularly desirous of establishing close liaison with the Executive Office of the President, the National Security Council, the Policy Planning Staff of the Department of State, the Joint Chiefs of Staff, and the National Security Resources Board. While there is some contact with the National Security Council staff, other contacts are in practice non-existent. ORE's production planning activities have been drastically impaired by this situation.

The complexity of the world situation requires considerable intra-ORE coordination of papers. The newly organized Special Staff, however, is proving to be a valuable device for achieving this coordination informally and rapidly. The main asset of such a staff, however, is its ability to produce high quality estimates in greater volume than was previously possible on a decentralized basis and with a more coordinated coverage of the total world situation.

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b. Basic Research

Basic research in the intelligence community is required to serve four general intelligence needs:

- (1) To support the production of National Intelligence.
- (2) To support strategic and tactical plans and operations.
- (3) To provide information for specialized operations (e.g., psychological warfare, covert operations, etc.)
- (4) To permit effective implementation of operational programs (e.g., export control, stockpiling of strategic materials, etc.)

The NIS program is devoted almost entirely to the basic research needed in (2) above. Aside from the study of basic economic intelligence on the Soviet orbit and map and geographic intelligence, there has been no adequate, clear-cut provision for the production of basic intelligence in fulfillment of the needs stated in (1), (3), and (4). ORE has had to engage in some basic research on an ad hoc basis in order to meet its own needs in these categories. In some cases it has had assistance from the IAC agencies and from external sources. None of the sources have proved adequate, however, and a grave problem remains, which requires a fundamental solution including a re-examination of the NIS program and its relative priority as compared with the other categories of basic intelligence.

c. Requirements

ORE has always emphasized that the role of its Requirements Staff should be that of expeditor and trouble-shooter, not a restrictive channel. The Staff is required, however, to see that ORE requirements are in collectible form. The AD/ORE receives a monthly report from all ORE components on the usefulness of the Requirements Staff and few complaints, such as indicated in the survey, have been received. It is believed that such complaints probably stem from personalities or analyst reaction to a situation concerning which they were not fully informed. The "Proposed Plan for Realignment of Certain Agency Functions", if implemented, should permit a more effective development of the requirements function.

d. Collection

ORE has always taken the position that collection should be directly responsive to the needs of the production components. Direct contact between analysts and collectors is highly desirable, but the complexity of the collection apparatus and the lack of clearly established responsibilities vis-a-vis ORE on the part of the various collectors

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creates the need for some sort of central coordinating group such as the ORE Requirements Staff. Inadequacies in the collection apparatus have also created a back-log of frustration in the individual analyst that makes him reluctant to devote what has seemed unproductive effort to the formulation of requirements. The Requirements Staff has also, therefore, had to encourage and stimulate the formulation of requirements.

e. Information Control

Some time ago ORE agreed to a 90-day trial of centralized routing of incoming documents. This trial was delayed when OSI questioned the efficiency of such a system which they were currently using. It is suggested that if the OSI objections have now been satisfactorily answered, the ORE trial period originally contemplated should be undertaken.

f. Administrative considerations

ORE consistently attempts to take action in the light of an intimate knowledge of the problems involved in the production of intelligence. ORE shares the analysts' views that these problems are not adequately recognized in some parts of the agency. Obviously it is impossible to consult all interested analysts when administrative matters affecting them are under consideration, but this problem is overcome in part by the selection of key officials with adequate substantive competence and experience in intelligence production and by frequent consultation with representative analysts in various components of the Office.

3. In order to take effective action to resolve the problems cited in the Management Staff Survey, it is important that the action be carefully considered in the light of over-all agency problems. It is therefore recommended that the Management Staff detail an analyst to ORE for a period of ninety days to assist in a task force devoted specifically to the cited ORE problems. Many of the problems will require long-range effort to resolve and others will require action in other parts of CIA.

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INCLASSIFIED RESTRICTED CONFIDENTIAL SECRET
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CENTRAL INTELLIGENCE AGENCY
OFFICIAL ROUTING SLIP

TO		INITIALS	DATE
1	Acting Executive	DS	22 July
2	Management Officer		
3			
4			
5			
FROM		INITIALS	DATE
1	Management Officer		
2			
3			

☐ APPROVAL ☐ INFORMATION ☐ SIGNATURE
☐ ACTION ☐ DIRECT REPLY ☐ RETURN
☐ COMMENT ☐ PREPARATION OF REPLY ☐ DISPATCH
☐ CONCURRENCE ☐ RECOMMENDATION ☐ FILE

REMARKS: (2) See my pencil comments
attached.
DS

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Memorandum for Management Office
 Subj: ORE Survey.

to HTS

1. In general this is a fine job, and to be quite honest, rather better than I had expected.

~~2. The budget should be specifically marked - "For information only. No action to be taken pending receipt of comments by the Asst Director. Such comments will be furnished upon review."~~

2. Copies to COAPS & budget should be specifically marked - "For information only. No action to be taken pending receipt of comments by the Asst Director. Such comments will be furnished upon review."
 3. Cover sheet to AD should include request for immediate review and return with comments by a given date and that any necessary and possible action will be taken after receipt of comments.

4. Specifics:

a. 2a, page 7, last sentence - Should be omitted.
 b. 3d(1), page 8 - Why? What can ORE do about it?

c. 5a(5), page 9 - I do not know of any such commitment nor of any budgetary mechanism for one. Do you?

X ~~Word~~ d. 3a(2), Ex F - How does "P.P." feel?
 5. No exhibits should be released without prior concurrence and approval of AD & ORE in writing.

24 July

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Office Memorandum • UNITED STATES GOVERNMENT

TO : Acting Executive
FROM : Management Officer
SUBJECT: ORE Survey.

DATE: 18 July 1950

1. Herewith report on ORE Regional Divisions - your copy
(and ORE'S copy which is easiest to read.)

2. Distribution will be: Complete sets to Executive,
ORE (2), Budget, COAPS, one copy to circulate to the Personnel
Director, Administrative Staff, Legal where able. Segments to:
OSI, OO, OCD and OSO.



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CONFIDENTIAL

13 September 1950

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MEMORANDUM FOR: Assistant Director, ORE

SUBJECT: Working Papers

REFERENCE: ORE Operating Procedure - Order No. 13 dated
20 April 1950

1. With reference to recommendations set forth in Management's Report of a Survey of ORE, and to CCAPS comments thereon, we seriously question the propriety of the distribution of 116 copies of a "Working Paper" prepared by ORE/WE, recently issued as Vol. V, No. 3, Sept. 1950, "Monthly Intelligence Digest".

2. We still adhere to the belief that the needs of ORE exclusively should dictate whether Working Papers are disseminated at all; and additionally, that distribution should not go beyond this Agency.

3. However, no adamant position would be taken in this respect, if the outside distribution were limited to one (1) copy each to: ONI; Director, Intelligence USAF; OER-ORE State; and A C of S, G-2, USA for the working levels thereof. We think that distribution to the top 11; (last sheet of September Monthly Intelligence Digest, Vol. V, No. 3), other than the foregoing, should be discontinued.

4. It would be of interest to be apprised of the actual use to which the following numbered copies are put:

15-25; 33-50; and 67-75.

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Coordination, Operations
and Policy Staff

Document No.

NO CHANGE in Class. ☒

☐ DECLASSIFIED

Class. CHANGED TO: TS S C

DDA REG. 4 Apr 77

Auth: DDA REG. 77/1763

Date: 23 MAR 1950 By: OTW

cc: Acting Executive
Management Officer ✓

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